

How do I participate in the GIC Flexible Spending Account (FSA) Programs?

You can sign up to participate in these programs during the GIC's FSA open enrollment period: October 14 - December 6. New Commonwealth employees or employees with a change in family status can enroll during the year.

Everything you need to participate is online. Visit Benefit Strategies' website at www.benstrat.com for:

- Reimbursement claim forms.
- Details on the FlexExpress© Card.
- Instructions for online re-enrollment (current participants only).
- Eligible expenses and relevant IRS information.
- The status of your account and your claims history.

More questions? Contact Benefit Strategies toll free at (877)-FLEXGIC (877-353-9442)!

How do I contribute to my FSA?

Once you make your annual election, your payroll office will deduct this amount from your pay in equal amounts throughout the year, before taxes are reduced.



How do I get reimbursed?

Use your HCSA Benefit Strategies Debit Card to pay for eligible health care purchases; the funds are automatically deducted from your HCSA.

Or pay for eligible expenses out of your own pocket, and then upload, fax or mail a reimbursement request with the appropriate documentation to Benefit Strategies. Your request will be processed promptly and you will be reimbursed either through direct deposit into your checking or savings account, or by mailed check, depending on how you have requested to be reimbursed.

The FlexExpress© Card:

- Offers easy access to HCSA account funds.
- Eliminates the hassle of filling out reimbursement claim forms.
- Works like a credit card, only the funds are deducted from your HCSA.
- Updates your account balance and transaction history online.



You'll automatically receive a set of two FlexExpress© Cards free of charge when you enroll in the GIC's HCSA.

Note: You can request additional sets of cards at \$5 each for any additional dependents. Details will be provided during enrollment. It's a great way to ensure that all family members have access to FSA funds when needed.

This brochure provides a general overview of Benefit Strategies, LLC FSA program and is not inclusive, nor a guarantee of eligibility or payment. Please see your employer's plan handbook for specifics regarding your plan. If any conflict arises between this brochure and your plan handbook, the terms of your employer's plan will apply.



GIC Flexible Spending Account Programs

GIC Flexible Spending Accounts (FSAs):

The Group Insurance Commission (GIC) offers two pre-tax programs, administered by Benefit Strategies, to help reduce your federal and state taxes from your paycheck.

Each program is specialized to help meet your specific needs. By using money set aside on a pre-tax basis, you can use these FSAs to help pay for qualified, health care and dependent care expenses.

The two types of FSAs:

- The Health Care Spending Account (HCSA) is for out-of-pocket healthcare expenses not covered by insurance.
- The Dependent Care Assistance (DCAP) Program offers you pre-tax treatment for your childcare expenses.



How will a Flexible Spending Account help me save on taxes?

An FSA allows you to set aside money for eligible expenses before your employer deducts taxes from your paycheck. This means the amount of income your taxes are based on will be lower—which means your tax liability will also be lower.

Here's an example:

Annual Savings Example*	With FSA	Without FSA
Annual Income	\$50,000	\$50,000
Annual Pre-Tax FSA Contribution	-\$2,000	-\$0
Annual Taxable Income	=\$48,000	=\$50,000
Annual Tax Withholdings (approximately 25% of the annual taxable income)	\$12,000	\$12,500
TOTAL ANNUAL SAVINGS (approximately \$250 for every \$1,000 withheld in the FSA per year)	\$500	\$0

*Sample tax savings for a single taxpayer with no dependents. Actual savings will vary based on your individual tax situation. Please consult a tax professional for more information.

How much should I contribute to my FSA?

Since the contributions are unique to your health care and dependent care situation, that amount is completely up to you.

- For the 2014 plan year, you may contribute a minimum of \$500 to a maximum of \$2,500 to the HCSA
- You may also contribute up to \$5,000 to the DCAP

The IRS places strict guidelines on these contributions, so you should estimate your FSA pre-tax contributions carefully. Because of the tax benefits of FSAs, the IRS imposes a strict "use-it-or-lose-it" rule, which means money left in a pre-tax account at year end does not roll over and is forfeited.

Note: The IRS provides a 2 month "grace period" at the end of plan year in which participants can access unused contributions from the previous year's FSA programs for qualified expenses incurred through March 15th of the following year. Claims must be submitted for processing no later than April 15th of the following year.

If these apply to you, enrolling in an FSA can help:

Health Care:

You could save significantly with a Health Care Spending Account* if you or your dependents:

- Have co-pays, co-insurance or deductibles for health, prescription or vision plans.
- Wear glasses or contact lenses.
- Receive orthodontia treatments, such as braces, or have dental expenses not covered by your dental insurance.



Dependent Care:

You may elect a Dependent Care Account if you (and your spouse, if married) are working or in school and:

- Your dependent children are under age 13, and attend day care, after-school care, or summer day camp.
- You provided care for a person (of any age) whom you claim as your dependent on your federal income tax return and who is mentally or physically incapable of caring for himself or herself.

*Visit www.benstrat.com or mass.gov/gic/fsa for a list of eligible HCSA and DCAP expenses.